



EXECUTIVE DEPARTMENT

EXECUTIVE ORDER NO. BJ 2014 - 18

EXECUTIVE BRANCH – EXPENDITURE REDUCTION

- WHEREAS,** pursuant to R.S. 39:75(A)(1), the Division of Administration is directed to submit a monthly budget status report to the Joint Legislative Committee on the Budget (hereafter "the Committee") indicating the balance of the budget for the State General Fund and dedicated funds by comparing the official forecast for these funds to the total authorized appropriations from each fund; once approved by the Committee, the most recent budget status report becomes the official budget status of the State;
- WHEREAS,** if the most recently approved budget status report indicates that the total appropriation from any fund will exceed the official forecast for that fund, R.S. 39:75(B) requires the Committee to immediately notify the Governor that a projected deficit exists for that fund;
- WHEREAS,** on November 21, 2014, the Committee notified the Governor that it approved a budget status report at its November 21, 2014, meeting, indicating that a projected deficit of One Hundred Seventy-Nine Million Five Hundred Thirty-Three Thousand Five Hundred Ninety-Two Dollars (\$179,533,592) exists in the State General Fund for Fiscal Year 2014-2015, based mainly on the revised official forecast of revenue available for appropriation adopted by the Revenue Estimating Conference on November 14, 2014, compared to total appropriations;
- WHEREAS,** at its December 18, 2014 meeting, the Committee amended the fiscal status statement and approved a budget status report indicating that an amended projected deficit of One Hundred Seventy Million Four Hundred Ninety-One Thousand Five Hundred Ninety-Two Dollars (\$170,491,592) exists in the State General Fund for Fiscal Year 2014-2015;
- WHEREAS,** once notified that a projected deficit exists, pursuant to Article VII, Section 10, of the Constitution of Louisiana and R.S. 39:75(C)(1)(a), the Governor has interim budget balancing powers to adjust the budget, including the authority to reduce appropriations for the executive branch of government for any program that is appropriated from a fund that is in a deficit posture, not exceeding three percent (3%) in the aggregate of the total appropriations for each budget unit for the fiscal year, and if the Governor does not make necessary adjustments in the appropriations to eliminate the projected deficit within thirty (30) days of the determination of the projected deficit in a fund, R.S. 39:75(D) mandates that the Governor call a special session of the Louisiana Legislature for that purpose;
- WHEREAS,** as authorized by R.S. 39:75(C)(1)(a), I am exercising my unilateral interim budget balancing powers to reduce the projected deficit by \$153,080,648, which reductions exceed in the aggregate seven-tenths of

one percent of the total of State General Fund allocations or appropriations of \$61,304,260;

WHEREAS, after utilizing that authority, \$17,410,944 remains of the projected deficit which must be eliminated, therefore I direct the Commissioner of Administration to present to the Committee for its approval a plan to eliminate the remaining amount of the projected deficit pursuant to R. S. 39:75(C)(2);

WHEREAS, this Executive Order and the plan to be submitted to the Committee may utilize all or a portion of the General Fund dollar savings objective specified in Executive Order BJ 2014-1 and Executive Order BJ 2014-16.

NOW THEREFORE, I, Bobby Jindal, Governor of the State of Louisiana, by virtue of the authority vested by the Constitution and laws of the State of Louisiana, do hereby order and direct as follows:

SECTION 1: The following departments, agencies, and/or budget units (hereafter "Unit" and/or "Units") of the executive branch of the State of Louisiana, as described in and/or funded by appropriations through Acts 15, 25, and 45 of the 2014 Regular Session of the Louisiana Legislature (hereafter "the Acts"), shall reduce expenditure of funds appropriated to the Unit from the State General Fund by the Acts, in the amounts shown below:

Act 15-General Operating Appropriations Act:

<u>Schedule 01-Executive Department</u>	<u>State General Fund</u>
01-107 Division of Administration	\$ 3,053,127
01-111 Governor’s Office of Homeland Security	\$ 100,000
01-112 Military Affairs	\$ 359,000
 <u>Schedule 03-Veterans Affairs</u>	
03-130 Veteran's Affairs	\$ 240,000
 <u>Schedule 04-Elected Officials</u>	
04-160 Agriculture and Forestry	\$ 208,316
 <u>Schedule 06-Culture, Recreation and Tourism</u>	
06-262 Office of the State Library	\$ 26,450
06-264 Office of State Parks	\$ 132,569
 <u>Schedule 08-Corrections Services</u>	
08A-400 Corrections Administration	\$ 142,715
08A-402 Louisiana State Penitentiary	\$ 59,692
08A-405 Avoyelles Correctional Center	\$ 13,500
08A-406 Louisiana Correctional Institute for Women	\$ 7,764
08A-409 Dixon Correctional Institute	\$ 30,689
08A-413 Elayn Hunt Correctional Center	\$ 22,863
08A-414 David Wade Correctional Center	\$ 2,355
08A-416 B.B. Sixty Rayburn Correctional Center	\$ 1,577
08A-415 Adult Probation and Parole	\$ 55,625
 <u>Schedule 08-Youth Services</u>	
08C-403 Office of Juvenile Justice	\$ 1,984,208
 <u>Schedule 09-Health and Hospitals</u>	
09-305 Medical Vendor Administration	\$ 2,635,465
09-306 Medical Vendor Payments	\$ 127,441,478

09-307 Office of the Secretary	\$	231,721
09-320 Office of Aging and Adult Services	\$	98,754
09-324 Louisiana Emergency Response Network	\$	10,500
09-326 Office of Public Health	\$	620,289
09-330 Office of Behavioral Health	\$	443,156
09-340 Office of Citizens with Developmental Disabilities	\$	308,213

Schedule 10-Department of Children and Family Services

10-360 Office of Children and Family Services	\$	964,980
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Schedule 11-Natural Resources

11-432 Office of Conservation	\$	325,046
11-434 Office of Mineral Resources	\$	363,319

Schedule 13-Environmental Quality

13-850 Office of the Secretary	\$	9,908
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Schedule 19-Higher Education

19A-661 Office of Student Financial Assistance	\$	4,946,681
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Schedule 19-Special Schools and Commissions

19B-662 Louisiana Educational TV Authority	\$	45,000
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Schedule 19-Education

19D-678 State Activities	\$	1,185,733
19D-681 Subgrantee Assistance	\$	4,465,411
19D-695 Minimum Foundation Program	\$	1,123,045

Schedule 20-Other Requirements

20-931 LED Debt Service/State Commitments	\$	1,421,499
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- SECTION 2:**
- A. No later than December 19, 2014, the head of each Unit listed in Section 1 of this Order shall submit to the Commissioner of Administration (hereafter "Commissioner") a mid-year budget reduction plan, on the BA-7 form and questionnaire, which reflects the Unit's proposed allocation of the expenditure reduction ordered in Section 1 of this Order (hereafter "mid-year budget reduction plan"), and a description of the methodology used to formulate the mid-year budget reduction plan.
 - B. In the event that positions of employment will be affected by the mid-year budget reduction, these positions should be included in your mid-year budget reduction plan.
 - C. No Unit shall implement the expenditure reduction mandated by Section 1 of this Order without the Commissioner's prior written approval of the Unit's mid-year budget reduction plan.
 - D. After the Commissioner has given approval of a Unit's mid-year budget reduction plan, any change to the mid-year budget reduction plan requires prior written approval from the commissioner.

SECTION 3: The Commissioner is authorized to develop additional guidelines as necessary to facilitate the administration of this Order.

SECTION 4: All departments, commissions, boards, offices, entities, agencies, and

officers of the State of Louisiana, or any political subdivision thereof, are authorized and directed to cooperate in the implementation of the provisions of this Order.

SECTION 5:

This Order is effective upon signature and shall remain in effect through June 30, 2015, unless amended, modified, terminated, or rescinded prior to that date.



IN WITNESS WHEREOF, I have set my hand officially and caused to be affixed the Great Seal of Louisiana, at the Capitol, in the city of Baton Rouge, on this 18th day of December, 2014.

/s/ Bobby Jindal
GOVERNOR OF LOUISIANA

**ATTEST BY
THE GOVERNOR**

/s/ Tom Schedler
SECRETARY OF STATE